



Major Economic News

- The aggregate sales of 17 Saudi cement producers rose 23% to 4.6mn tons in September 2020, compared to 3.7mn tons in the same month last year. Clinker production was unchanged at 3.9mn tons, while clinker inventories fell 7% Y/Y to 40.1mn in September. (Source: Argaam)
- The Ministry of Human Resources and Social Development plans to qualify the competitors for the project to localize the supplies jobs. The ministry aims to employ 17,000 male and female citizens at the supplies entities (supermarkets and hypermarkets) by the end of FY21. (Source: Argaam)
- Ministry of Industry and Mineral Resources licensed 98 new factories with almost SAR 8.7bn capital in September. The number of existing and under construction industrial facilities reached 9,445 by the end of September 2020, compared to 9,357 a year earlier. (Source: Argaam)

Major Corporate News

- The Saudi Stock Exchange (Tadawul) suspends trading on shares of National Commercial Bank (NCB) and Samba Financial Group today, Oct. 11, for one trading session. The suspension, which comes in accordance with the listing rules, was requested by both banks to disclose a material event. Trading on shares of both banks will resume on Monday, Oct. 12, Tadawul added. (Source: Argaam)
- Mobile Telecommunication Company Saudi Arabia approved the board of directors' request to reduce capital from SAR 5.8bn to SAR 4.5bn. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.6% to 8,412.6 on Thursday. The value traded stood at SAR 11.3bn (up 3.5% over previous day), while the advance-decline ratio stood at 107/80. The parallel market index decreased 0.2% to 15,001.0 points. The value traded stood at SAR 37.9mn (down 24.6% over previous day). Most sectors in the main market ended in the green. Healthcare and Food & Staples (up 4.0% each) advanced the most; Real Estate and Pharma & Bio Tech (down 1.2% and 0.4%, respectively) led the laggards.

Earnings update (Net Profit) (SAR mn)

Company	Q3-20	Q3-19	Y/Y %	Q2-20	Q/Q %
United Electronics Co.	53.2	27.2	95.4	90.4	-41.1

Source: Tadawul, AJC

Top Gainers

Company	Price	Change%
ANAAM HOLDING	339.00	10.0
MOUWASAT	142.00	9.2
GULF GENERAL	28.30	5.8
SALAMA	25.70	5.6
ACIG	42.20	5.1

Top Losers

Company	Price	Change%
WAFRAH	91.00	-3.2
RED SEA	19.92	-2.7
JABAL O.	34.90	-2.4
TAKWEEN	12.40	-2.4
SASCO	35.20	-2.2

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	8,413	8,420	8,350	0.6	0.3
NomuC	15,001	15,113	14,811	(0.2)	109.0

TASI movement during session



TASI P/E Ratios

P/E (Tadawul)	26.1
P/E (Bloomberg)	30.3
P/E*	39.3
P/E after exclusions*	37.7
P/E ex. loss-making comp.*	17.9
P/E: top 50 MCAP*	28.0

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	5,520	0.5	1.4	28.9
Materials	5,329	1.9	3.1	Neg
Capital Goods	5,419	0.5	25.1	Neg
Commercial Service	4,199	0.2	(12.0)	31.0
Transportation	4,463	0.5	1.5	High
Consumer Durables	4,900	1.6	39.7	Neg
Consumer Services	4,183	0.4	5.7	18.3
Media	10,158	2.3	8.0	40.0
Retailing	8,658	0.6	12.5	High
Food & Staples	11,260	4.0	70.2	37.0
Food & Beverages	5,722	0.6	31.4	32.2
Healthcare	5,507	4.0	47.6	35.3
Pharma & Bio Tech	4,604	(0.4)	28.1	Neg
Banks	7,108	(0.1)	(12.3)	16.4
Diversified Financials	4,265	(0.0)	29.1	Neg
Insurance	6,101	1.7	35.2	25.8
Telecom	6,887	0.1	6.4	21.1
Utilities	4,162	3.0	(5.4)	Neg
REITs	4,404	(0.1)	4.9	Neg
Real Estate	3,319	(1.2)	6.0	Neg
Software & Services	10,033	0.6	103.4	17.9

**Neg: Negative

Average Index Value

Average 5 days	Average 10 days	Average 20 days	Average value traded for the month (bn)
8,315	8,308	8,289	11.72

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	55.6	2,353.2	2,238.0

Top Weighted Companies

Company	Price	Change%
Al Rajhi	66.40	-0.6
Saudi Aramco	36.00	0.6
NCB	38.50	1.3
SABIC	91.90	3.5
STC	104.00	0.2



Regional and International Markets

- Among other regional markets, Dubai and Abu Dhabi increased 0.1% and 0.4%, respectively. Qatar, Bahrain and Kuwait rose 1.0%, 0.6% and 0.2%, respectively; while Oman declined 0.1%. Meanwhile, Egypt remained closed.
- According to Baker Hughes, North America's rig count increased to 349 in the week ended October 09 from 341 earlier. The rig count rose to 269 in the US from 266 earlier, while remained unchanged at 14 in the Gulf of Mexico. The rig count in Canada increased to 80 from 75 earlier. (Source: Baker Hughes, Econoday)
- US initial jobless claims dropped to 840,000 (consensus: 819,000), representing a fall of 9,000 from the previous week's revised level of 849,000. (Source: Econoday)
- UK GDP grew 2.1% M/M in August (consensus: an increase of 4.6%) compared with a prior revised rise of 6.4% in July. The three-month GDP growth was at 8.0% in August (in-line with the consensus) contraction of 6.8% in the prior month. (Source: Econoday)
- Oil prices declined 1.1% on Friday, as oil companies in Norway reached an agreement with labor union to end the strike.
- Gold prices edged up 1.9% on the back of renewed hopes of a new U.S. Covid-19 relief bill.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	93.1	-0.6	-0.9	-3.5
Euro	1.18	0.6	0.9	5.5
Japanese Yen	105.6	-0.4	0.1	-2.8
Sterling Pound	1.30	0.9	1.0	-1.6
Chinese Yuan	6.69	-1.4	-1.4	-3.9
Indian Rupee	73.0	-0.4	-0.7	2.3
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.64	0.0	0.0	0.0
Kuwaiti Dinar	0.31	-0.1	-0.2	0.9
Omani Rial	0.38	-0.1	-0.1	0.0
Bahraini Dinar	0.38	-0.1	-0.1	0.0
Egyptian Pound	15.66	0.0	-0.4	-2.1

Corporate Calendar

Date	Company	Event
12 th Oct	Salama	OGM
15 th Oct	Najran Cement	Cash Dividend Distribution
15 th Oct	SABB Takaful	OGM
15 th Oct	JADWA REIT AL.	OGM
19 th Oct	Allianz SF	OGM
20 th Oct	SFICO	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	2,214	0.1	-2.6	-19.9	8.4
Abu Dhabi (ADX)	4,513	0.4	-0.1	-11.1	12.9
Kuwait (KSE)	4,435	0.2	3.1	-9.7	5.7
Qatar (QE)	10,032	1.0	0.4	-3.8	15.3
Oman (MSM)	3,604	-0.1	-0.3	-9.5	8.4
Bahrain (BSE)	1,458	0.6	1.7	-9.4	9.1
Egypt (EGX30)	11,327	0.0	3.1	-18.9	8.6

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	28,587	0.6	2.9	0.2	23.4
Nasdaq	11,580	1.4	3.7	29.1	35.0
S&P 500	3,477	0.9	3.4	7.6	27.7
FTSE 100	6,017	0.6	2.6	-20.2	18.3
Germany DAX 30	13,051	0.1	2.3	-1.5	23.2
France CAC 40	4,947	0.7	3.0	-17.3	44.0
Japan Nikkei 225	23,620	-0.1	1.9	-0.2	23.1
Hong Kong Hang Seng	24,119	-0.3	2.8	-14.4	12.6
China Shanghai Composite	3,272	1.7	1.7	7.3	13.6
Australia ASX 200	6,102	0.0	4.9	-8.7	19.3
India Sensex	40,509	0.8	6.4	-1.8	24.0

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	40.4	1.0	0.2	-41.3
Brent Crude (\$/bbl)	42.9	-1.1	4.6	-35.1
Texas crude (\$/bbl)	40.6	-1.4	0.9	-33.6
Natural Gas (\$/mmbtu)	2.74	4.3	8.5	25.2
Gold (\$/oz)	1,930	1.9	2.4	27.3
Silver (\$/oz)	25.1	5.4	8.2	40.9
Steel (\$/ton)	633	0.5	2.9	7.7
Iron Ore (CNY/MT)	994	3.5	3.5	43.0
Wheat (\$/bu)	594	-0.3	2.7	6.3
Corn (\$/bu)	395	2.1	4.2	1.9
Sugar (\$/lb)	14.2	0.4	8.9	6.0
SMP* (EUR/MT)	2,213	0.0	2.3	-13.9

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	0.221	-0.9	-1.3	-168.8
Saudi Arabia(SAIBOR)	0.861	-0.1	-0.8	-137.0
UAE (EIBOR)	0.451	6.6	-3.7	-175.8
Qatar (QIBOR)	1.206	-1.1	27.1	-104.4
Bahrain (BHIBOR)	2.250	0.0	0.0	-41.7

Data Sources: Tadawul, Bloomberg, Reuters

* Three-month Interbank rate **NA: Not Available

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2. **Underweight:** This rating implies that the stock is currently trading at a premium to its 12 months price target. Stocks rated "Underweight" would typically decline by over 10% from the current price levels over next twelve months.
3. **Neutral:** The rating implies that the stock is trading in the proximate range of its 12 months price target. Stocks rated "Neutral" is expected to stagnate within +/- 10% range from the current price levels over next twelve months.
4. **Suspension of rating or rating on hold (SR/RH):** This basically implies suspension of a rating pending further analysis of a material change in the fundamentals of the company.

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